

AMENDMENT TO H.R. 1852
OFFERED BY MR. AL GREEN OF TEXAS

Page 38, after line 2, insert the following new section:

1 **SEC. 20. PILOT PROGRAM FOR AUTOMATED PROCESS FOR**
2 **BORROWERS WITHOUT SUFFICIENT CREDIT**
3 **HISTORY.**

4 (a) ESTABLISHMENT.—Title II of the National Hous-
5 ing Act (12 U.S.C. 1707 et seq.) is amended by adding
6 at the end the following new section:

7 **“SEC. 257. PILOT PROGRAM FOR AUTOMATED PROCESS**
8 **FOR BORROWERS WITHOUT SUFFICIENT**
9 **CREDIT HISTORY.**

10 “(a) ESTABLISHMENT.—The Secretary shall carry
11 out a pilot program to establish, and make available to
12 mortgagees, an automated process for providing alter-
13 native credit rating information for mortgagors and pro-
14 spective mortgagors under mortgages on 1- to 4-family
15 residences to be insured under this title who have insuffi-
16 cient credit histories for determining their creditworthi-
17 ness. Such alternative credit rating information may in-
18 clude rent, utilities, and insurance payment histories, and

1 such other information as the Secretary considers appro-
2 priate.

3 “(b) SCOPE.—The Secretary may carry out the pilot
4 program under this section on a limited basis or scope,
5 and may consider limiting the program—

6 “(1) to first-time homebuyers; or

7 “(2) metropolitan statistical areas significantly
8 impacted by subprime lending.

9 “(c) LIMITATION.—In any fiscal year, the aggregate
10 number of mortgages insured pursuant to the automated
11 process established under this section may not exceed 5
12 percent of the aggregate number of mortgages for 1- to
13 4-family residences insured by the Secretary under this
14 title during the preceding fiscal year.

15 “(d) SUNSET.—After the expiration of the 5-year pe-
16 riod beginning on the date of the enactment of the Ex-
17 panding American Homeownership Act of 2007, the Sec-
18 retary may not enter into any new commitment to insure
19 any mortgage, or newly insure any mortgage, pursuant to
20 the automated process established under this section.”.

21 (b) GAO REPORT.—Not later than the expiration of
22 the two-year period beginning on the date of the enact-
23 ment of this Act, the Comptroller General of the United
24 States shall submit to the Congress a report identifying
25 the number of additional mortgagors served using the

1 automated process established pursuant to section 257 of
2 the National Housing Act (as added by the amendment
3 made by subsection (a) of this section) and the impact
4 of such process and the insurance of mortgages pursuant
5 to such process on the safety and soundness of the insur-
6 ance funds under the National Housing Act of which such
7 mortgages are obligations.